

USSR

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INFORMATION FROM "PAL".

From: NEW YORK

To:

MOSCOW

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9 May 1944

. To the 3th Department.

PAL [PEL][i] advises:

According to the information of F.E.A. on 22nd April the ISLANDERS [OSTROVITYANE][ii] gave up the plan of invading the Balkans, preferring to await the total [C% defeat] [1 group unrecovered], and after that rapidly occupy Greece and Yugoslavia.

- The BANK [BANK][iii] is inclined to approve the USSR's intention to remove industrial equipment from Germany to replace what was destroyed. The BANK considers to exact reparations from Germany for 10 years. Only after this does it think it possible to allow Germany to begin the reconstruction of her own industry.
- 7. PROKORE [sis][iv] in conversations with various highly placed representatives of the LEAGUE[v] is indicating that Finland is unable to pay [1 group unrecovered] the USSR 120 million dollars in reparations.
- 4. The master of the COUNTRY HOUSE [DACHA][vi] in a telegram to the BANK on 15th April advised that the Soviette Government does not want the Means in the talks about a loan. He considers duta bour

[Continued overleaf]

Distribution

that it would be more in the interest of the COUNTRY [STRANA][viii] to conclude an agreement about a loan now than to wait for the end of the war.

5. NABOB [NABOB][ix] has decided to present to CAPTAIN [KAPITAN][x] a plan for a post-war trade agreement with us.

[51 groups unrecoverable]

- Comments: [i] PEL: possibly Nathan Gregory SILVERMASTER.
 - [ii] OSTROVITYANE: the British.
 - [iii] BANK: the U.S. State Department.
 - [iv] Hjalmar PROCOPE, Finnish Minister in WASHINGTON.
 - [v] LIGA: the U.S. Government.
 - [vi] DAChA: the U.S. Embassy in MOSCOW.
 - [vii] DEKRET: Lend-Lease.
 - [viii] STRANA: the U.S.A.
 - [ix] NABOB: Henry MORGENTHAU, Jr.
 - [x] KAPITAN: Franklin D. ROCSEVELT.